

Senate Select Committee on Superannuation and Financial Services

**The benefit design of Commonwealth public
sector and defence force unfunded
superannuation funds and schemes**

Submission No. 24

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Committee Members
Select Committee on Superannuation and Financial Services
Parliament House
Canberra
ACT 2600

I am a retired Commonwealth Superannuated Pensioner and I am writing to lodge my complaint at the way my pension is adjusted. My Comsuper pension is tied to the CPI and is adjusted annually on the 1st July.

This is not a fair system as my pension will slowly erode over the coming years. Past records have shown that over the past three years Commonwealth Superannuation Pensions have increased by a mere 2.4 per cent, based on increases in the CPI. On a comparison, retired parliamentary pensions have increased 10 per cent, based on Average Weekly Ordinary Earnings (AWOTE). This is a form of discrimination as the purchasing power of my pension falls, while parliamentary pensions maintain their value.

There is a fallacy that Commonwealth superannuants are in receipt of generous pensions. This is not true. In 1998-1999, 66 per cent of Commonwealth superannuants received a pension of less than \$20,000 PA, while 22 percent received less than \$10,000 PA.

Commonwealth Superannuated Pensioners are not entitled to age pension concessions with local authorities as they are considered self funded retirees. In view of this the family budget changes very little on retirement. The cost of purchasing food, running the house, car, and maintaining our health is the same. In view of this it is essential our living costs are maintained and measured by wage indexes. ***The CPI is a misrepresentation, as it has no bearing on the true cost of living.***

I believe that Commonwealth superannuation pensions should be adjusted on the same principal as the aged pension and parliamentary pensions. That is, the pension should be adjusted twice yearly based on the CPI or Male Total Average Weekly Earnings, whichever is higher.

I would now appreciate if the Senate Select Committee on Superannuation and Financial Services could consider my submission.

Sincerely yours,
Barry J Leyshan
Commonwealth Superannuated Pensioner
15 January 2000

